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ABSTRACT

This report is intended for use by the Alaska Department of Education and other interested individuals in defining "basic need" as it relates to Alaska's Public School Foundation Program. The report is not intended to define basic need, but rather to present possible ways to define the term. It is based on ideas and suggestions from a special session of the Alaska State Board of Education, as well as from school board members, school superintendents, and other participants in four regional school finance workshops. The report compiles and summarizes those ideas and analyzes the factors that contribute to basic need determination. It presents information in sequential order about basic need and about various approaches, bases, and options for consideration by individual readers, depending on their experience with the subject. The "Option Review Worksheet" allows readers to record their reactions to the options offered and to mail them to the Alaska Department of Education. (Author/JG)

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STRATEGIES FOR DEFINING BASIC NEED

An Alaska School Finance Study Report

Center for Northern Educational Research

University of Alaska – Fairbanks – 1977

EA 010 615

USE OF THIS REPORT

This report is for use of the Department of Education in defining basic need, a key element of the Public School Foundation Program. The report in its present form is not intended to have wide circulation. It is intended to be the basis for a process which could result in selecting or devising an option whereby basic need could be defined. Such a process could include the following steps:

PUBLISH IT

1. Publish the report. The published version should make use of appropriate artwork. Tables of figures should be converted to graphs and charts for readability. The programmed format could be enhanced through use of a second color. Significant legislative changes affecting the basic need options should be included in the text.

CIRCULATE, OBTAIN RECOMMENDATIONS

2. Circulate the report and obtain recommendations. The published version could be used in a variety of ways to obtain recommendations regarding the options for defining basic need. Some possible uses:

   a. Distribute to school board members, school administrators, legislators, and others, with the request that each reader return the Final Options Worksheet to the Department of Education
   b. Distribute at regularly scheduled conferences of education-related groups (Alaska Association of School Boards, National Education Association-Alaska, Alaska Association of School Administrators, Alaska Parent-Teacher Association, for example) with the request that discussion sessions be held using the report and that each participant complete the Final Options Worksheet
   c. Distribute at Department of Education-sponsored basic need workshops, where the central discussion theme would be the options for defining basic need. Completed Final Options Worksheets would be obtained from all participants
   d. Distribute multiple copies to each local board of education, and request that the board obtain as many citizen reactions as possible to the options, perhaps at a special day-long meeting called just for this purpose.
   e. Other methods of distribution, or combinations of the above, might be devised.

USE RECOMMENDATIONS

3. Use the recommendations. This all-important third step of the process would require that the recommendations obtained be used in clarifying basic need through legislative action (if the recommendations called for such action).

This three-step process, or some modification of it, seems essential if the report is to be of value.

STRATEGIES FOR DEFINING BASIC NEED

An Explanation of Options
for Defining Basic Need,
Alaska Public School Foundation Program

Prepared by
E. Dean Coon
Anne E. Just

An Alaska School Finance Study Report

Center for Northern Educational Research
University of Alaska Fairbanks
June 1977

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INTRODUCTION

"Basic Need" constitutes a significant element of Alaska's Public School Foundation Program (PSFP), the system by which public elementary and secondary schools receive state aid for school operation. In the years since the creation of the PSFP in 1962, legislative changes have occurred in the definition of basic need to respond to changing needs in financing public education. Now in 1977, economic changes are occurring in Alaska which will have an impact on how public school education is financed in both the immediate and long-range future.

100 PERCENT OF WHAT?

Recently, members of the State Legislature and of the current administration have been suggesting that it is possible for the State to provide 100 percent of basic need/basic operating costs of education once the oil tax revenues begin to appear in the State's treasury. Although this is an appealing prospect for Local Education Agencies (LEAs), the suggestion raises such questions as "One hundred percent of what?" "What does 'basic need' really mean?" and, "What would be the legal and financial implications if the state should pay 100 percent of 'basic need' in the future?"

REVIEW NEEDED

During presentations by the University's Center for Northern Educational Research (CNER) to the Governor's Office and to the State Board of Education about the Alaska School Finance Study (ASFS), the issue of current and future determinations of basic need emerged. Based upon discussions with CNER staff, both groups determined that a review of the current definition of basic need was appropriate to address immediate concerns about this element of the State's school financing plan.

NOT A DEFINITION

Responsibility for preparing this report, Strategies for Defining Basic Need, was contracted to CNER by the Alaska Department of Education (DOE) as a task closely related to the Center's on-going study of Alaska's school financing system. As the title indicates, the report is not intended to define basic need but rather to present possible ways to define the term.

FIRST STEP

Identifying such a strategy is significant. Yet, it is only the initial step of a more complex procedure to make the definition operational as part of the Alaska school financing system. A definition of basic need is worthless if it cannot be used in the PSFP. The task, and therefore the focus of this report, was to develop strategies for defining basic need, although some discussion of how to use the strategies will be included in the final considerations of the report.

MANY OPINIONS GATHERED

In preparing the report, CNER obtained ideas and suggestions from a special session of the Alaska State Board of Education devoted to discussing the topic as well as from school board members, school superintendents and other participants in small work groups during the four regional school finance workshops convening in October and November 1976 as well as from others. This report is a compilation and a summary of the suggestions and ideas received and of CNER's analysis of factors which contribute to basic need determination.

Although the report has been prepared primarily for DOE, distribution should be made throughout the state for its use as a resource document by legislators, community members, school boards and their administrators. Because it is to serve as a working document, the report has been organized in a manner which, hopefully, will facilitate its usefulness.

FORMAT OF REPORT

The report presents information in sequential order about "Basic Need" and about various approaches, bases and options for determining it for the individual reader depending upon his/her experience with the subject matter. The reader can consider the following two approaches and select the one which best represents his/her views:

1. Defining Basic Need on primarily
   a. a financial basis or
   b. a programmatic basis; OR

2. NOT defining Basic Need by
   a. leaving it unchanged or
   b. renaming it.

OPTION REVIEW WORKSHEET

According to this initial choice, the report then directs the reader to various options for implementing the approach selected or to other options if the reader wishes to change his/her initial choice. Intended as a participatory experience, the report offers the reader an opportunity to state his/her reasons for accepting or rejecting that option. The Option Review Worksheet allows the reader to record his/her reactions to the options offered. This worksheet can be detached from the report and mailed to DOE in order for the reader to register his/her preference for a strategy to define basic need.

THE BASIC NEED DILEMMA

Overview of the Problem

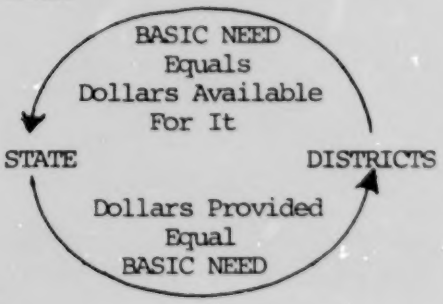
"Basic Need" is a term used in the Public School Foundation Program (PSFP) to identify a sum of money for city and borough districts and for Regional Education Attendance Areas (REAAs). These funds constitute the major resource used for local educational agencies' (LEA) current operating expenses in support of education programs for students.

Circular Definition

BASIC NEED EQUALS $$. $$ EQUAL BASIC NEED

Basic need for a LEA is expressed as a number of dollars. It is the product of a detailed process utilizing facts about the LEA (number of students, types of programs, school location) as well as percentages and dollar values established by statute. Therefore, as used in the PSFP, basic need is a sum of money. It follows then that a sum of money is the basic need of the LEA. The result is a circular definition of "basic need" which is diagrammed in the figure below.

CURRENT DEFINITION



Varying Interpretations

BASIC FINANCIAL OR EDUCATION NEED ?

While the computation of basic need is quite precise and there is no disagreement on the method of computing the sum of money that is basic need, problems arise because of various interpretations of the definition of basic need and of how to use those monies. The problems currently being encountered stem from these two major questions:

1. Does "basic need" mean the basic financial need of a LEA?
   or
2. Does "basic need" mean the basic educational need of a LEA?

or, asked another way:

1. Should the amount of money available determine the educational offerings of a LEA?
   or
2. Should the educational offerings of a LEA determine the amount of money needed?

Participants' Comments

Comments from participants at the school finance regional workshops exemplify these polar interpretations of basic need. Some people think that the amount of money available definitely determines the educational program.

> "The amount of money available establishes the basic need--or at least how a district responds or prioritizes needs." (School Superintendent)
>
> "The amount of money available will greatly determine our basic need." (Community School Committee Member)
>
> "The quality of education will be governed by the amount of funding available to a district." (School Board Member)
>
> "Enough money should be programmed so that local districts can provide for educational needs unique to their districts." (Associate School Superintendent)

Others strongly support the concept that the educational offerings should determine the amount of money needed.

> "Include virtually all programs in basic need." (School Superintendent)
>
> "Basic need should be directly focused on the desired educational demands of a district and transformed into a dollar formula that will establish a foundation." (School Board Member)
>
> "These needs should be defined on programs and not money. I don't feel that defining basic need as a dollar amount addresses the problem of providing basic education for our students." (School Business Manager)
>
> "1. Define 'basic need' in terms of minimum educational programs and services that must be made available to school pupils. . . .
> 2. Translate item 1 above into dollar amounts by a formula to be developed." (School Superintendent)

Confusion of Terms

Therefore, basic need could be called either "basic financial need" or "basic educational need," but these additions do not remedy what may be considered the central problem of definition. That larger problem comes from the word "need."

WHAT IS THE NEED?

If "need is defined as "lack of something," or "a state of circumstances requiring something," then it follows that a sum of dollars is not the need, but rather a resource to alleviate a need either partially or fully. Thus, the dollars fulfill the

need, not establish it, leaving still unanswered the question, "What is the need the dollars are supposed to fulfill?"

BASIC NEED -- SAME AS OR DIFFERENT FROM BASIC EDUCATION

The problem of defining basic need is further complicated by confusion in the use of terminology. Frequently, "basic education" and "basic need" are used interchangably as these participant comments illustrate.

> "The key is to define what 'basic educational offering' each child in the state should receive, then cost that minimum offering out taking into consideration area cost differentials." (Legislative Affairs Agency Representative)

> "Basic educational need should be defined by the district and be the basis for budget and an expected minimum of educational services offered." (School Superintendent)

This interchange of terms also characterized the description by Dr. Cliff Hartman, Commissioner of Education in 1970, in the Department of Education Alaska Newsletter of February 15, 1970 of the pending legislation to change the definition of "basic need" while ensuring a minimum 90 percent state funding of this need.

> "Senate Bill 378 could very well be the most significant piece of legislation for public education in Alaska for this decade and for decades to come. It not only conceptually establishes a framework for an adequate basic education program but places greater responsibility and accountability at the local administrative level."

CONFUSING TERMS EQUAL CONFUSED PEOPLE

Individuals in discussing school financing and the PSFP use such terms as "100 per cent of basic need" and "100 per cent of basic education costs" to mean the same thing. "Full state funding" is often used to refer to either "100 per cent of basic need" or "100 per cent of current operating expenses" (excluding Federal funds). Questions are raised whether the term "basic operating costs of education" means "basic need" or "current operating expenses." All these terms become even more confusing when the statutory language "95 per cent of basic need" is referred to.

These examples highlight the present confusing situation which has resulted from the current statutory definition of "basic need" and from its varying interpretations by individuals. But Dr. Hartman's remarks of 1970 are relevant even today:

> "Basic education must be adequately defined if the proposed legislation is to be enacted and if it is to provide equal educational opportunities for all pupils of Alaska. Further discussion and deliberation on this definition must take place before consensus can be established."

As one of the small groups on Basic Need during the Anchorage workshop concluded:

> "The continual definition and redefinition of basic need may therefore be the most critical individual and collective process facing us in Alaska."

Characteristics of the Dilemma

The current dilemma in defining basic need is characterized by:

1. A circular definition in which basic need of a LEA is a sum of money and a sum of money is the basic need of a LEA;
2. Numerous questions about the meaning and purpose of basic need such as
   *If the state should provide 100 percent of basic need in all school districts, what would this imply, and what would it cost?
   *Why does the basic need sum of money support only 70 percent of current operating expenses in one district and 100 percent in another district?
   *Should the basic need sum of money be adequate to support a basic education program, and if so, what is the basic education program (in each district, or in the state)?
   *Should basic education need be described independently of basic financial need?
3. Polarized interpretations of basic need; and,
4. Confusing use of terminology in describing basic need.

These characteristics underscore the necessity of developing a strategy to define basic need.

Criteria for a Definition

In considering the approaches and options for defining "basic need" to be presented and discussed in this report, the following criteria for a definition may be useful to the reader.

A definition of basic need:

REQUIREMENTS OF A DEFINITION

1. Is precise and understandable;
2. Can be specified by statute;
3. Meets State constitutional requirements and does not conflict with other statutes;
4. Can be uniformly applied to all local education agencies and be administered uniformly;
5. Provides for necessary interregional variations in costs of education;

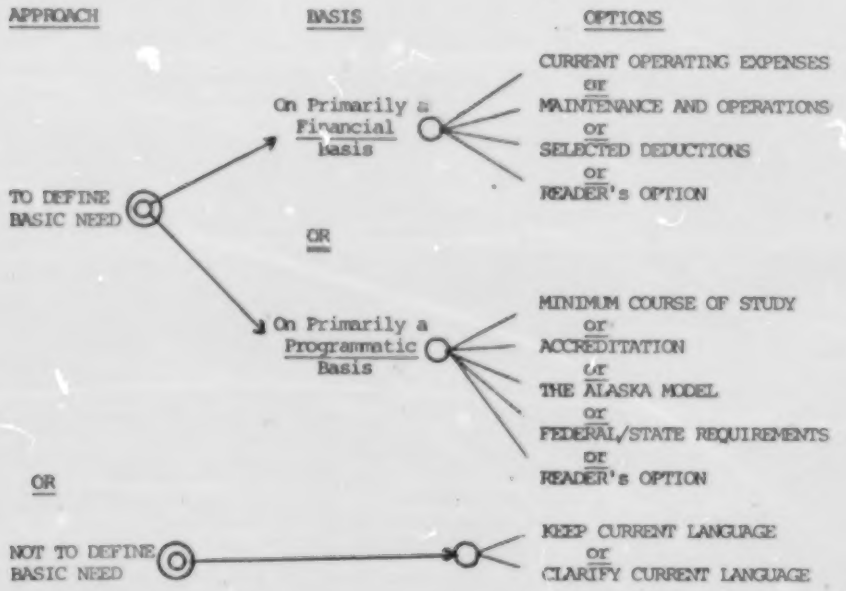
6. Addresses varying student needs;
7. Accounts for student needs that vary from community to community and are considered basic locally;
8. Is based upon real "costs of education";
9. Is easy to amend to recognize changing conditions, such as inflation factor, etc.; and
10. Is workable.

Given the preceding circumstances, CNER has prepared this report to inform and to assist those interested in developing a strategy for defining basic need. Each reader should review the sections of this document and select the option for defining basic need which is most appropriate.

The task of developing a strategy for defining basic need has just begun. DOE and the State Legislature then must review the current basic need situation in the context of the entire state school financing system and formulate a plan using the suggestions in this report, citizens' recommendations and their own analyses.

INTRODUCTION TO STRATEGIES FOR DEFINING BASIC NEED

This report is intended to offer the reader information to formulate a strategy for defining basic need. The strategy developed will be the composite of several elements, approaches, bases and options--which will focus the resulting definition of basic need. The following diagram illustrates the elements for the reader to consider in determining a strategy for defining basic need.



The description of these elements make up the subsequent sections of this report.

Initial Choice of Approach

Some readers may now be ready to make an initial choice of approach for a strategy to define "Basic Need." If so, these readers should mark that approach in the space provided and turn to the pages indicated for explanations of the bases and/or options under each approach.

Other readers may not wish to make a choice at this time. Additional information about basic need is provided in the next section which may be useful in making an initial choice of approach.

CHECKPOINT #1

INITIAL CHOICE OF APPROACH

Check your selection and turn to the page designated.

1. My choice is to define Basic Need. _____

   Turn to Bases of the Approach - "To Define Basic Need" on page 19 for details.

2. My choice is to not define Basic Need. _____

   Turn to Introduction to the Options for Not Defining Basic Need on page 57 for details.

3. I am not ready to choose an approach.
   I want more information about Basic Need. _____

   Turn to More About Basic Need on page 10 for details.

MORE ABOUT BASIC NEED

This section will present additional information about basic need. It is intended primarily for the reader who is not familiar with the background on basic need or who desires to examine some other aspects of the problem.

Basic Need in the 1962 - 1970 Period

BASIC NEED EQUALS $ IN 1962

The term "Basic Need" first appeared in the Alaska statutes with enactment of the Public School Foundation Program (PSFP) in 1962. Then, as now, basic need was a sum of money, and was intended to be a financial base for expenses of operating the schools. Districts could provide additional funds beyond basic need to meet the expenses of programs not covered by basic need revenues.

Computation of basic need for each district was based upon (1) the teachers' salary allotment (state minimum salary times number of allowable units) plus (2) the average daily membership allotment ($140 times average daily student membership) plus (3) the attendance center allotment (number of attendance centers times $1,000). Higher membership allotment figures were used outside Southeast Alaska. This method of computing basic need was in use until 1970, when the recommendations of an advisory group were used to modify the PSFP substantially.

Basic Need from 1970 to Present

STILL $ IN 1970

Under the revised PSFP in 1970 basic need continued to be a sum of money, but it was derived from a different computation method. The state guaranteed payment of 90 percent of basic need with districts providing up to 10 percent of basic need. An equalization feature was added whereby the State would also provide a portion of the local district's share depending upon the relative property wealth of the district. As before, districts could provide additional funds beyond basic need.

Under provisions of the new PSFP, the basic need of a district was the dollar amount determined by multiplying the dollar value of the base instructional unit, or the adjusted value of the base instructional unit for which the district qualifies, by the number of the district's instructional units. An example of determining basic need (based upon 1976-77 rates):

Basic Need Computation

1. Base instructional unit value is $25,000
2. Value of instructional unit is adjusted according to location and access factors ($25,000 x 100% up to 133.75% with an additional 5% of the product if qualified) as well as small size of district
3. Instructional units are based upon number of enrolled students, type of programs in which students are enrolled, and enrollment size of schools and district

INSTRUCTIONAL UNIT VALUE TIMES NUMBER OF UNITS EQUALS BASIC NEED DOLLARS

The computation:

$_____ value (adjusted) of base instructional unit

times $_____ number of instructional units

equals

$_____ basic need

Once basic need was determined the equalization feature of the PSFP was applied to indicate the amount of basic need to be paid by the state and the amount to be paid by the city or borough school district. In 1976-77 the state guaranteed 95 percent of basic need.

Definition of Terms

As an aid to the reader the following definitions are provided.

The Base Instructional Unit Value is a dollar value set by the Legislature and is intended to represent the cost of an instructional unit. Its value has risen from $23,500 in the 1975-76 school year to $25,000 in 1976-77 and will be $27,500 in 1977-78.

Instructional Unit Allotments or Regional Differentials
The PSFP contains a built-in factor called the "instructional unit allotment" by which to recognize the variations of costs of living and doing business in different parts of the state. Also referred to as a "regional differential," the instructional unit allotment is a percentage, based upon the geographic location of a LEA, used to adjust the base instructional unit value to meet the additional costs of living and doing business usually in rural and remote schools.

Currently, instructional unit allotments are based upon geographic location and transportation access features of a LEA. Regional differentials seek to balance the differences in costs which exist among the various LEAs of the state. Several school superintendents have requested review of this provision of the PSFP in order that differences within an individual LEA (particularly in the geographically expansive REAAs) might also be addressed. With the enactment of new legislation (HB 212) during the 1977 legislative session, instructional unit allotments will range from 100 percent of the base instructional unit value to 155 percent in 1977-78.

Instructional Unit is the "aggregate of all direct and indirect services necessary to provide a standard level of instruction for a group of pupils." [A.S. 14.17.250(19)]

Direct Services include, but are not limited to supplying teacher services, textbooks, reference materials, pupil and teacher supplies, as well as utilities and custodial services. [A.S. 14.17.250]

Indirect Services are those auxiliary or supporting functions that complement direct services and include, but are not limited to administration, transportation, food, attendance and activities. Costs to be excluded from the instructional unit are items of community service, capital outlay and debt service. [A.S. 14.17.250]

The Equalization Feature of the PSFP is the provision whereby less wealthy LEAs can receive state educational aid beyond the guaranteed minimum of 95 percent of basic need. Because such districts do not have adequate resources to provide the five percent (5%) of basic need required from local sources, larger state aid payments equalize the resources available for education while reducing the required local effort.

The Cost of Basic Need

In 1975-76 basic need of all city and borough school districts amounted to $117,543,516. Of this amount the state provided $110,420,689 while local districts contributed the balance of $7,122,827. Table 1 shows the sources and amounts of revenue for basic need and the total basic need for each city and borough school district.

Table 1
Revenue Sources for Basic Need
City and Borough School Districts
1975-76

District	Revenue Sources: Local District (Required Share)	State Support	Basic Need
Anchorage	$3,225,576	$45,043,424	$48,269,000
Bristol Bay	56,697	753,255	809,952
Cordova	52,984	1,271,241	1,324,225
Craig	9,831	419,640	429,471
Dillingham	29,170	1,185,758	1,214,928
Fairbanks	995,070	14,508,322	15,503,392
Galena	4,644	523,404	528,048
Haines	47,951	886,780	934,731
Hoonah	5,709	651,129	656,838
Hydaburg	2,394	275,499	277,893
Juneau	384,637	6,406,863	6,791,500
Kake	3,510	476,487	479,997
Kenai	641,933	8,528,536	9,170,469
Ketchikan	314,195	4,174,305	4,488,500
King Cove	4,880	431,248	436,128
Klawock	2,022	200,082	202,104
Kodiak	204,093	4,090,617	4,294,710
Mat-Su	373,761	4,965,678	5,339,439
Nenana	10,617	618,003	628,620
Nome	33,261	2,303,139	2,336,400
North Slope	237,952	3,161,357	3,399,309
Pelican	6,220	126,410	132,630
Petersburg	51,376	1,118,912	1,170,288
Selawik	2,933	690,130	693,063
Sitka	191,914	2,904,473	3,096,387
Skagway	37,137	493,386	530,523
St. Mary's	1,540	447,552	449,092
Unalaska	20,684	446,596	467,280
Valdez	132,422	1,759,328	1,891,750
Wrangell	34,502	1,111,405	1,145,907
Yakutat	3,212	447,730	450,942
TOTAL	$7,122,827	$110,420,689	$117,543,516

Note: State support for on-base and contract schools omitted from Fairbanks and Anchorage figures.
SOURCE: "PSFP Computations, Final Reports Recapitulation, 1975-76 Fiscal Year," Department of Education (mimeo, n.d.).

BASIC NEED PROVIDES 61 PERCENT OF REVENUES

In 1975-76 current operating expenses for the city and borough districts amounted to $190,906,224. Basic need revenues totaled $117,543,516, or 61.6 percent of the revenues used for current operating expenses. However, the percent that basic need is of revenues for current operating expense varies widely in the individual districts, for a low of 49.7 percent in the North Slope Borough to a high of 99.5 percent in Pelican. Table 2 shows the percentages for all city and borough districts. It is worth noting that basic need provides 80 percent or more of revenues for current operating expenses in only six districts.

Table 2

Ranking of City and Borough School Districts
by Percent Basic Need Revenues is of Revenues
for Current Operating Expenses
1975-76

District	Revenue for Current Operating Expenses	Revenue for Basic Need	Percent Basic Need is of Revenues for Current Operating Expenses
North Slope	$ 6,839,223	$ 3,399,309	49.7
Fairbanks	28,287,503	15,503,392	54.8
Anchorage	85,203,039	48,399,000	56.7
Craig	733,201	429,471	58.6
Ketchikan	6,842,355	4,488,500	65.6
Kenai	13,640,902	9,170,469	67.2
Hoonah	973,131	656,838	67.5
St. Mary's	663,350	449,092	67.7
Dillingham	1,789,378	1,214,928	67.9
Mat-Su	7,789,555	5,339,439	68.5
Kake	695,439	479,997	69.0
Nome	3,384,761	2,336,400	69.0
Juneau	9,581,372	6,791,500	70.9
Unalaska	652,958	467,280	71.6
Nenana	871,706	628,620	72.1
Bristol Bay	1,119,616	809,952	72.3
Haines	1,291,577	934,731	72.4
Hydaburg	373,571	277,893	74.4
Sitka	4,152,491	3,096,387	74.6
Kodiak	5,662,733	4,294,710	75.8
Galena	693,480	528,048	76.1
Yakutat	571,748	450,942	78.9
Valdez	2,393,118	1,891,750	79.0
Petersburg	1,470,963	1,170,288	80.0
Selawik	864,308	693,063	80.2
Klawock	248,212	202,104	81.4
King Cove	528,562	436,128	82.5
Cordova	1,570,767	1,324,225	84.3
Wrangell	1,314,851	1,145,907	87.2
Skagway	569,111	530,523	93.2
Pelican	133,243	132,630	99.5
TOTAL	$190,506,224	$117,543,516	Avg.61.6

SOURCES: Revenue for current operating expenses from "Selected Financial Information, City and Borough School Districts, 1975-76 School Year (Table 4) CNER, January 1977.
Revenue for Basic Need from "PSFP Computation, Final Reports Recapitulation, 1975-76 Fiscal Year," Department of Education (mimeo, n.d.)

The Instructional Unit

"AVERAGE CLASS-ROOM"?

Examination of one of the major elements of basic need, the instructional unit, will provide further insight into the nature of basic need. The instructional unit is defined A.S.14.17.250(18) as ". . .the aggregate of all direct and indirect services necessary to provide a standard level of instruction for a group of pupils." This definition is the closest the law comes to specifying an "average classroom." But it is the concept of the "average classroom" upon which the instructional unit is based. This concept can be examined in general terms as follows:

Instructional Unit	equals	Teacher, Group of Students, Supplies, Heat, Lights, etc.	equals	"Average Classroom"

Attempting to convert the "average classroom" concept into elements for precise measurement would be foolhardy, but it is possible to examine the relationship of the number of professional personnel and of the number of students to the number of instructional units for each district.

TEACHERS AND INSTRUCTIONAL UNITS

Teachers and Instructional Units. A comparison of professional personnel and instructional units for the past two years is shown in Table 3. In 1974-75, eight districts had more professional personnel than instructional units, five had the same, and the remaining 18 had fewer. In 1975-76, three districts had more professional personnel than instructional units, three had the same number, and the remaining 25 had fewer.

Table 3

Relationship of Professional Personnel to Instructional Units
City and Borough School Districts, 1974-75, 1975-76

Professional Personnel-Instructional Unit Relationship	Number of Districts 1974-75	1975-76
More professional personnel than instructional units	8	3
Same number of professional personnel as number of instructional units	5	3
Fewer professional personnel than instructional units	18	25

It should be noted that there is no requirement for the number of teachers to be equal to the number of instructional units. Staffing practices in the districts vary, and there can be many reasons that there would be fewer teachers than instructional units. For example, a district might have a higher proportion of teacher aides than another. Or it could be that costs for other functions of education, such as for operations and maintenance, would be relatively higher, forcing a district to have fewer resources for professional personnel. Professional personnel numbers include all certificated personnel.

Table 4 shows the full-time equivalent number of professional personnel per instructional unit for each city and borough district in 1975-76, ranked from most to least. The range is from 1.14 professional personnel per instructional unit in Haines to .57 professional personnel per instructional unit in St. Mary's. Fifteen districts have .90 professional personnel or less per instructional unit. These comparisons do show that most districts do not, or are unable to, have one professional staff member for each instructional unit.

Table 4
City and Borough School Districts, 1975-76,
Ranked by Professional Personnel Per Instructional Unit

District	Instructional Units	Professional Personnel	Professional Personnel per Instructional Unit
Haines	37	42	1.14
Hoonah	26	29	1.12
Dillingham	39	41	1.05
Galena	16	16	1.00
Hydaburg	11	11	1.00
Pelican	5	5	1.00
Petersburg	48	47	.98
Nome	75	71	.95
Yakutat	17	16	.94
Anchorage	2,054	1,917	.93
Ketchikan	191	178	.93
King Cove	14	13	.93
Mat-Su	219	204	.93
Fairbanks	593	540	.91
Juneau	289	263	.91
Sitka	127	116	.91
Skagway	21	19	.90
Kake	19	17	.89
Bristol Bay	26	23	.88
Klawock	8	7	.88
Kenai	363	317	.87
Unalaska	15	13	.87
Wrangell	47	41	.87
Craig	17	14	.82
Kodiak	170	137	.81
North Slope	103	83	.81
Cordova	49	38	.78
Nenana	20	15	.75
Valdez	70	52	.74
Selawik	21	15	.71
St. Mary's	14	8	.57

SOURCES: Instructional Units from "PSFP Computations, Final Reports Recapitulation, 1975-76 Fiscal Year," Department of Education (mimeo, n.d.)
Professional Personnel figures are from Annual Report from FY 75-76, Department of Education, October 1976. P. 29 (on-base and contract school data have been omitted.)

Students and Instructional Units. It is worthwhile now to examine the number of students per instructional unit in each district.

STUDENTS AND INSTRUCTIONAL UNITS

Table 5 shows the number of students in average daily membership (ADM) per instructional unit, with districts ranked from highest number of ADM per unit to those with the lowest ADM per unit. As might be expected, because of the PSFP instructional unit conversion tables, the larger districts have more students per instructional unit than do the smaller districts. The range is from an ADM of 17.3 per instructional unit in Anchorage, to an ADM of 7.6 per instructional unit in Pelican. Note that more than half of the districts have fewer than eleven students in ADM per instructional unit. (The ADM per instructional unit comparison should not be confused with student-teacher ratios, or with average class size.)

Table 5
Ranking of City and Borough School Districts
by ADM per Instructional Unit, 1975-76

District	Instructional Units	ADM per Instructional Unit
Anchorage	2,054	17.3
Fairbanks	593	15.4
Juneau	289	14.9
Mat-Su	219	14.3
Kenai	363	13.8
Ketchikan	191	13.6
Sitka	127	13.4
Petersburg	48	12.9
Haines	37	12.8
Kodiak	170	12.3
Valdez	70	12.3
Wrangell	47	12.1
Nome	75	11.9
Cordova	49	11.2
Kake	19	10.4
North Slope	103	10.4
Dillingham	39	10.3
Hydaburg	11	10.3
Skagway	21	10.3
Hoonah	26	10.0
Bristol Bay	26	9.6
Selawik	21	9.5
Nenana	20	9.4
Craig	17	8.9
Galena	16	8.8
Yakutat	17	8.7
King Cove	14	8.3
St. Mary's	14	8.1
Unalaska	15	8.0
Klawock	8	7.9
Pelican	5	7.6

SOURCES: Instructional Units from "PSFP Computations, Final Reports Recapitulation, 1975-76 Fiscal Year," Department of Education (mimeo, n.d.)
ADM figures used in the computations are from the previously cited source; (on-base and contract school data have been omitted)

Perhaps the additional information provided above about basic need has helped you to decide upon the approach you would like to take in defining basic need. You may now choose an approach. There are two.

CHECKPOINT #2

CHOICE OF APPROACH

Check your selection and turn to the page designated.

1. My choice is to define Basic Need. _____

   Turn to Bases of the Approach - "To Define Basic Need" on page 19 for details.

2. My choice is not to define Basic Need. _____

   Turn to Introduction to the Options for Not Defining Basic Need on page 57 for details.

BASES OF THE APPROACH - "TO DEFINE BASIC NEED"

Brief descriptions of the bases of the approach "To Define Basic Need" appear in this section. After reading the descriptions, the reader may choose one of the bases presented. The reader will then be directed to the appropriate section of the report which details the various options available for that basis.

BASES OF THE APPROACH

FINANCIAL BASIS

Define basic need on primarily a financial basis. Such a basis would affirm that basic need was the basic financial need of a LEA. This basis would also specify that the amount of money available to a LEA would determine the educational offerings to students. Basic need would be equivalent to a sum of money derived from specified calculations.

PROGRAM BASIS

Define basic need on primarily a programmatic basis. Using this basis, basic need would be the basic educational need of a LEA. The educational offerings of a LEA would be the basis for determining the amount of money needed. Basic need would be the educational offerings of a LEA developed according to specified criteria.

SELECTING A BASIS

The reader should now choose the basis of the approach- "To Define Basic Need." After choosing a basis for this approach, the reader will then be directed to various options available.

CHECKPOINT #3

CHOICE OF APPROACH: TO DEFINE BASIC NEED

Check your selection and turn to the page designated.

1. On primarily a financial basis. ____

   Turn to page 20 for details.

2. On primarily a programmatic basis.

   Turn to page 34 for details. ____

INTRODUCTION TO THE OPTIONS FOR DEFINING BASIC NEED ON PRIMARILY A FINANCIAL BASIS

Basic need defined on this basis would be equivalent to a sum of money derived from specific calculations. Various options as to what these calculations might be are described for the reader as follows:

OPTIONS

1. Current Operating Expenses Option;
2. Maintenance and Operations Option; and
3. Selected Deductions Option.

At the end of each option presented, the reader may select or reject it.

-If the option is selected, the reader will be directed to a final worksheet to record the choice.

-If the option is rejected, the reader may wish to proceed to the next one presented.

-If all the options for this basis are exhausted, the reader may choose:

READER's CHOICE

to develop his/her own option for defining basic need on a financial basis on the sheet provided, or

to consider the options presented in other portions of this report.

CURRENT OPERATING EXPENSES OPTION

Basic need equals all costs (excluding federal categorical aid).

Under this option, basic need would be equal to each district's current operating expenses minus those expenses borne by federal funds. Stated another way, the basic financial need of the district would be the sum of local and state dollars provided toward current operating expenses.

BASIS IN LAW

The language of the 1970 Public School Foundation Program supports this option. The statutes state, in part, an instructional unit ". . . means the aggregate of all direct and indirect services necessary to provide a standard level of instruction for a group of pupils." [A.S.14.17.250(18)] (Emphasis supplied.) The words services necessary are key here, since services would include all instruction costs and all costs of supporting the instruction. This definition would omit services provided by federal revenues, since specifying such services within a state program would be outside the jurisdiction of the legislature.

NO CATEGORICALS, EQUALIZATION FEATURE RETAINED

Under the current operating expenses option there would be no state categorical programs. It would probably require that districts prepare budget estimates well in advance of the appropriation year. The State would then appropriate the state aid portion of basic need, and the districts would provide the local required share (assuming retention of the current equalization feature of the PSFP). Regional Education Attendance Areas would receive the full amount of basic need from the state and payments in lieu of local taxes would be eliminated.

The current operating expenses option would not include community services, debt services, and capital outlay. They are not now included in current operating expenses.

Under the current operating expenses option, basic need would amount to $176,416,203 for city and borough school districts in 1975-76. Under the present method of computation, basic need amounts to $117,543,516. The comparison of the two methods of computing basic need is shown in Table 6 .

CURRENT OPERATING EXPENSES OPTION

Table 6

Current Operating Expenses Option Costs
Compared to Present Foundation Program Costs
City and Borough School Districts, 1975-76

	Public School Foundation Act Elements	Estimated Cost of Basic Need: Present Method of Computation	Current Operating Expenses Option
COST OF BASIC NEED	State Aid	$110,420,689	$165,472,405
	Local Required Share	7,122,827	10,437,798
	Basic Need	$117,543,516	$176,416,203

As can be seen in the preceding table, the State would assume the greatest portion of the increase in basic need, with the districts providing a modest additional amount for their local required share. It is important to note that this option maintains the equalization feature of the PSFP with the local required share provided by the districts according to their relative wealth. Thus, it should not be confused with proposals (1) to have the state fully fund all costs of education or (2) to have the state fully fund basic need as it is now calculated.

Participants' Comments

"Current operating expenses of a district could reflect the basic need." (Anchorage "Basic Need" small group report)

"Building cost and maintenance are part of basic needs--no program can be functional without them." (Borough Mayor)

"All direct and indirect costs which go to make up a district's programs could be reviewed. Then a list could be exhausted to determine all those programs. These would be costed out with various inflationary factors added and results might equal the basic need." (DOE representative)

"Basic need should be the equal sum of money given to each district to give equal education to pupils." (North Slope Borough School Board Member)

CURRENT OPERATING EXPENSES OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

	Pro		Con
1.	Provides a simple way to compute school operating revenues.	1.	Provides no ceiling on soaring costs.
2.	Increases state support of schools.	2.	Could be too expensive for the state to fund.
3.	Increases local control over use of funds.	3.	Could obscure the identity of categorical programs.
4.	- - -

CURRENT OPERATING EXPENSES OPTION

Decision Point

A. If you wish to select this option, check here___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here___.

Then write your reasons for rejecting it.

_____

_____

_____

_____

_____

_____

Now turn to the next page for another option.

MAINTENANCE AND OPERATIONS OPTION

Basic need is a sum of money none of which is to be used for maintenance and operations.

This option addresses the definition of basic need through the contention that maintenance and operations (M & O) expenses should not be supported by basic need revenues. This approach would clarify what basic need is by specifying what it is not.

M & O DEFINED

The expenses of maintenance and operations of plant (school facilities) include employee salaries and benefits, purchased services, utilities (electricity, fuel for heating, other), repair and maintenance under contract, and supplies and equipment. These are all indirect costs of instruction. Except for the salaries' portion, local boards have little control over total expenditures in this area.

M & O CAN REDUCE AMOUNT AVAILABLE FOR INSTRUCTION

Under this option revenues for maintenance and operation would be obtained from sources other than basic need revenues. The rationale for this is that many districts have to expend a disproportionate share of their basic need revenues on maintenance and operations. In doing so, the districts are forced to spend less on direct costs of instruction. This circumstance seems most prevalent in the rural and isolated districts.

In 1975-76, maintenance and operations accounted for more than 15 percent of current operating expenses of the city and borough districts. Table 7 shows the percent maintenance and operations is of current operating expenses for all districts.

ESTABLISH A STATE-FUNDED M & O PROGRAM

The remedy proposed is to have maintenance and operations expenses fully supported by state funds, in the same manner the state supports student transportation expenses. Such a fully funded state program in 1975-76 would have cost $28,392,254. With such a state categorical program, no basic need revenues would be used for maintenance and operation of plant.

Participants' Comments

"Fund plant operation and maintenance separately, maybe by contract between the state and the school district." (Yukon Flats School Board Member)

"If operation and maintenance were paid for by the state--the funding we have now should be adequate." (Alaska Gateway School Board Member)

Table 7
Ranking of City and Borough School Districts
by Percent Maintenance and Operations is of
Current Operating Expenses, 1975-76

District	Current Operating Expenses	Maintenance and Operating Expenses	Percent M & O is of Current Operating Expenses
North Slope	$ 6,773,077	$ 2,000,972	29.5
Nome	3,256,787	719,953	22.1
Selawik	852,750	188,203	22.1
Fairbanks	27,749,416	5,255,942	18.9
Bristol Bay	1,031,771	193,270	18.7
St. Mary's	579,413	106,608	18.4
Unalaska	559,427	98,855	16.5
Dillingham	1,643,855	269,062	16.4
Klawock	232,243	36,711	15.8
Valdez	2,154,704	328,960	15.3
Galena	588,272	88,936	15.1
Juneau	9,266,911	1,387,166	15.0
Nenana	826,186	124,302	15.0
King Cove	402,711	57,793	14.4
Kodiak	5,777,723	822,805	14.2
Pelican	137,218	19,168	14.0
Ketchikan	6,665,191	925,921	13.9
Anchorage	85,194,760	11,716,211	13.8
Hoonah	963,587	132,372	13.7
Cordova	1,489,279	202,541	13.6
Haines	1,322,621	172,351	12.9
Mat-Su	7,813,678	984,458	12.6
Sitka	4,178,254	519,873	12.4
Yakutat	715,008	88,337	12.4
Hydaburg	340,007	41,412	12.2
Petersburg	1,468,659	177,277	12.1
Skagway	504,793	57,863	11.5
Kenai	13,051,011	1,438,489	11.0
Wrangell	1,242,501	131,238	10.6
Kake	602,852	49,287	8.2
Craig	719,639	55,918	7.8

SOURCE: "Selected Financial Information, City and Borough School Districts, 1975-76 School Year," CNER, January 1977.

Participants' Comments

"Separate out maintenance costs or use a factor to adjust for various areas." (Fairbanks School Board Member)

"Basic need is the sum of money only for instructional purposes--not operation and maintenance." (North Slope Borough School Board Member)

"Eliminate maintenance of plant and . . . have . . . fully reimbursable." (Nome School Board Member)

"Move operation and maintenance outside instructional unit." (School Business Officer)

"Deal only with instructional program. Leave out operation of facilities." (School Superintendent)

MAINTENANCE AND OPERATIONS OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

Pro	Con
1. Would enable basic need revenue to be used for direct costs of instruction.	1. Could result in some districts having "excess" revenues.
2. Would provide full state support of an expense area over which local districts have little control.	2. Might bring more state control of maintenance and operations.
3. Would solve one of the biggest problems of rural and isolated districts, especially those with outmoded facilities.	3. May be unrealistic as the state probably can't afford it.
4. Would provide some relief to property taxpayers in city and borough districts.	4. Does not recognize that some federal aid programs support maintenance and operations.
5. _____	5. _____
6. _____	6. _____

MAINTENANCE AND OPERATIONS OPTION

Decision Point

A. If you wish to select this option, check here___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here___.

Then write your reasons for rejecting it.

_____

_____

_____

_____

_____

_____

Now turn to the next page for another option.

SELECTED DEDUCTIONS OPTION

Basic need is a sum of money not to be used for _____.
(fill in your choice)

This option would provide for picking up one or more kinds of school costs in fully-funded state categorical programs. This approach would be an effort to clarify what basic need is by specifying what it is not.

The kinds of school costs to be included in such an approach would be mostly those over which the local district has little if any control; many are referred to as fixed costs. (The Maintenance and Operations Option described earlier uses this same approach.) Here are some examples of the kinds of school costs to be taken care of outside of basic need through use of this option:

1. District portion of the contributions to the Teacher's Retirement System. The amounts which the district must contribute are governed by statute. In 1975-76 this item totaled $_____.

2. Insurance on buildings and equipment. Rates have increased sharply in recent years; the alternative to paying the higher rates is to reduce coverage. In 1975-76 this item totaled $_____in city and borough districts.

3. Food services. The school lunch program is partially supported by federal funds, but the balance must come from local sources. Several districts have been forced to drop or reduce the food services program because of lack of funds. In 1975-76, this item totaled more than $8,700,000 in the city and borough districts and REAAs.

4. Extraordinary costs associated with size and terrain features. One example would be the costs of conducting board meetings in the rural and isolated areas. Travel expenses of board members for one meeting can exceed $4,000 in a large, sparsely populated district.

The League of Women Voters in their statement, "1977 School Finance Position," offered the following examples of "Level III" programs which should be funded totally by local support, with

SELECTED DEDUCTIONS OPTION

no state financial assistance:

"(1) Team Sports - uniforms, travel expenses, etc. (Intramural sports programs and those affording participation by all would fall under categories I and II [full state aid and combined state and local support].)

(2) Band uniforms
(3) Extra items not included in Levels I and II."

Participants' Comments

"1. It [basic need] is not transportation.
2. It [basic need] is not operations and maintenance.
3. It [basic need] is not student activities.

All of these should be contracted for on plans of service developed with the Department of Education." (Associate School Superintendent)

"PSFP should take into consideration the non-control of certain items, i.e., insurance." (Alaska Gateway School Board Member)

"No categorization." (School Superintendent)

SELECTED DEDUCTIONS OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

	Pro		Con
1.	Would provide full state support for costs over which districts have little control.	1.	Could create additional state categorical programs.
2.	Could simplify budgeting.	2.	Could result in more state control of local program.
3.	Could provide property taxpayer relief in city and borough districts.	3.	Would be an inefficient way to provide more state funds.
4.	_ _ _

SELECTED DEDUCTIONS OPTION

Decision Point

A. If you wish to select this option, check here ___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here ___.

Then write your reasons for rejecting it.

_____

_____

_____

_____

_____

_____

Now turn to the next page for another option.

READER's OPTION

The following space is provided so that a reader may develop his/her own option. The reader may wish to combine options presented in the report, to ignore those options or to use them for ideas in formulating a new option here.

DESCRIPTION OF OPTION

_____

_____

_____

_____

_____

Pro	Con
1. _____	1. _____
_____	_____
_____	_____
2. _____	2. _____
_____	_____
_____	_____
3. _____	3. _____
_____	_____
_____	_____

Now turn to the Options Review Worksheet on p. 65 .

If you did not select any options from this section, you may wish to consider the options in subsequent portions of this report.

Turn to p. 34 for Options on a Programmatic Basis
-or-
For Introduction to the Options for Not Defining Basic Need, turn to p. 57 .

INTRODUCTION TO THE OPTIONS FOR DEFINING BASIC NEED ON PRIMARILY A PROGRAMMATIC BASIS

Basic need defined on this basis would be the educational offerings of a LEA developed according to specified criteria. Various options as to what these criteria might be are described for the reader as follows:

OPTIONS

1. Minimum Course of Study Option;
2. Accreditation Option;
3. The Alaska Model Option; and,
4. Federal/State Requirements Option.

At the end of each option presented, the reader may select or reject it.

-If the option is selected, the reader will be directed to a final worksheet to record the choice.

-If the option is rejected, the reader may wish to proceed to the next one presented.

-If all the options for this basis are exhausted, the reader may choose:

READER's CHOICE

to develop his/her own option for defining basic need on a programmatic basis on the sheet provided, or

to consider the options presented in other portions of this report.

THE MINIMUM COURSE OF STUDY OPTION

Basic need equals the educational offerings which provide a minimum course of study.

BASIS IN STATUTES

The basis for the minimum course of study is contained in the Alaska Statutes as follows:

> Section 1.07.020. Duties of the department. The department shall . . . (4) prescribe by regulation a minimum course of study for the public schools.

The Department of Education Rules and Regulations: (October 1975) specify the following:

REGULATIONS SPECIFY STANDARDS AND GUIDES

> 4 AAC 06.070. ELEMENTARY COURSE OF STUDY. The Course of Study for the Elementary Schools in Alaska, reissued by the department in 1971, is officially adopted as the standard for elementary schools. (In effect before 7/28/59; am 5/30/71, Reg. 38)
>
> Authority: [AS 14.07.020(4)]
>
> 4 AAC 06.080. ADMINISTRATIVE MANUAL FOR SECONDARY SCHOOLS. Administrative Manual for Secondary Schools, published by the department, is officially the guide for the administration of high schools in the public school system. (In effect before 7/28/59; am 9/24/65. Reg. 20; am 10/4/73, Reg. 47)
>
> Authority: [AS 14.07.02(1)(2)(4)]

The two publications referenced above detail the standards which districts must meet in a minimum course of study. Pertinent citations and summaries follow.

The foreword of the Elementary Course of Study states, in part:

COURSE OF STUDY: ELEMENTARY

> The primary course of study, which is to follow, defines the basic or minimum scope and sequence of the elementary curricula. It is also meant to serve as a broad framework upon which local districts may develop programs of education. It is in no sense to be construed as a rigid outline schools must follow to the letter.

MINIMUM COURSE OF STUDY OPTION

Student learning objectives for each of the grades, kindergarten through eight, are listed for six curricular areas: (1) arithmetic, (2) language arts, (3) social studies, science and health, (4) art, (5) music and (6) physical education. A suggested minimum and maximum number of minutes per week each curriculum area to be offered is included for each grade level.

COURSE OF STUDY: SECONDARY

Although in Alaska a secondary school may be comprised of grades 7 through 12, or an appropriate combination of grades within this range, the Administrative Manual for Secondary Schools (1969) states that:

> The minimum standards prescribed by the Manual are for grades nine through twelve, regardless of the organizational pattern followed.

The Manual is less specific than the elementary version with respect to course outlines. It notes:

> Programs should be developed to meet the needs of each student. The common core of study is composed of the four fundamental, or basic, areas of language arts, social studies, science and mathematics, with increased emphasis and individualization possible by electing additional courses in the areas included in the four 'basics' and/or other areas of study offered.

Lists of the suggested courses are then offered for each of the following areas of study:

1. language arts
2. science and math
3. social studies
4. physical education
5. foreign language
6. the arts
7. practical arts
8. occupational preparation

GRADUATION REQUIREMENTS

The most specific requirements in the Manual are concerned with graduation requirements, stated as follows:

> Subjects included in the basic requirements for graduation are:

Language Arts	.3 units
Social Studies	2½ units
P.E.	.1 unit
Science and Math	.3 units
Electives	.6½ units
Total	16 units

MINIMUM COURSE OF STUDY OPTION

A unit is defined as the credit allowed for the satisfactory completion of a course that meets a minimum of 42 minutes multiplied by the number of prescribed school days. (A new administrative manual under consideration would raise the graduation requirements to 19 units of credit.)

OTHER MANUALS HAVE ADDITIONAL REQUIREMENTS

Neither the elementary nor secondary manual contains all the minimum course of study requirements. For example, the secondary manual references additional requirements in "Guidelines for Program of Special Education in Alaska" since replaced by Special Education Handbook (October 1975) which states procedures for developing the annual plan of service. There is also an administrative manual for the small secondary schools and another for cooperative vocational educational programs. There are others.

Defining the Minimum Courses of Study

Defining the minimum courses of study would require (1) an extensive analysis of all DOE manuals, bulletins, memoranda and letters citing or interpreting minimum requirements, and (2) identification of necessary curricula components and all applicable supporting service programs in the schools. Not included in the minimum course of study would the the other components of the educational program--curriculum offering and activities which exceeded the minimum required. Thus a part of this option would require precise identification of these extra offerings.

Following is a sampling from the regional workshops of statements regarding the minimum (or standard) course of study.

Participants' Comments

"State develop general guidelines for local districts to follow--State sets minimum goals for local districts to achieve--local districts define their basic need to achieve goals and communities' goals." (Anchorage School Board Member)

"I think basic need should be some form of standard within the state as a whole which provides equal opportunity for students to receive an education, whether you live in the bush area or in the more populated areas." (King Cove School Board Member)

MINIMUM COURSE OF STUDY OPTION

"I would like to see a consensus arrived at that could define what the 'minimum basic need' for each student is and that it could be adopted to guide and build on for local schools, districts, etc." (State Board of Education Member)

"State could set minimum standards for basic needs." (School Superintendent)

"In my opinion basic need would provide a minimum standard of delivery of educational opportunities to all children in the state." (School Superintendent)

"Define 'basic need' in terms of minimum educational programs and services that must be made available to school pupils, e.g., reading, arithmetic, history, vocational opportunities, health services, transportation, special education, teacher-pupil ratios, counseling, etc. . . . " (School Superintendent)

MINIMUM COURSE OF STUDY OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

	Pro		Con
1.	Provides a way to effectively separate required curricula from non-required.	1.	Minimums are too general to identify.
2.	Would fulfill the statutory requirement for a minimum course of study.	2.	Identifying the minimum would take several years.
3.	Could benefit students if districts added courses to meet the minimum.	3.	Might eliminate flexibility in program planning.
4.	_____	4.	_____
	_____		_____
	_____		_____
5.	_____	5.	_____
	_____		_____
	_____		_____

MINIMUM COURSE OF STUDY OPTION

Decision Point

A. If you wish to select this option, check here ___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here ___.

Then write your reasons for rejecting it.

_____

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Now turn to the next page for another option.

THE ACCREDITATION OPTION

Basic Need equals educational offerings which fulfill accreditation requirements.

BASIS IN LAW

Under this option, a district's educational program which met the standards of accreditation would constitute that district's basic need. Provision for accreditation is contained in the Alaska Statutes as follows:

> Section 14.17.020. Duties of the department. The department shall . . . (6) accredit those public, private, and denominational schools which meet accreditation standards prescribed by regulation by the department; . . .

REGULATIONS ADOPTED, THEN RESCINDED

Based on this authority, the Department of Education has developed an accreditation program which is described in "Alaska Accreditation Model, Processes and Procedures." The regulations contained in this publication were adopted by the State Board of Education in March 1977 and rescinded in May 1977.

According to the proposed regulations, " . . . accreditation will be by district for program development. After the program has been developed and is approved by the local governing board, accreditation for program outcomes will be by school within the district."

Programs are to be defined in terms of student "outcomes." The community is to be involved in establishing district goals for education and in evaluating program outcomes. Local accreditation program managers must be designated in each district. Districts would be expected to comply with all standards of the accreditation process within five years after the local board initiates action on program development. Regional or national accreditation processes may be substituted for the state program under certain conditions.

Participants' Comments

"Northwest Accreditation process may establish the basic need since certain recommendations are given." (Juneau "Basic Need" small group report)

"Accreditation systems in general whereby goals are developed locally and evaluated against what districts say they are doing." (Juneau "Basic Need" small group report)

"The Carnagie Unit might be a foundation for basic need since without it kids won't be getting into college." (Juneau "Basic Need" small group report)

"Basic need should be defined as a minimum educational offering to be determined from accreditation and legal requirements. . . ." (Legislative Affairs Agency representative)

THE ACCREDITATION OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

	Pro	Con
1.	Assures local determination of program outcomes.	The accreditation program is not yet operating.
2.	Could assure a quality education to meet each student's needs.	The proposed accreditation process is too general.
3.	Program descriptions developed in the accreditation process would distinguish between "required" and "desired" outcomes--a distinction essential to defining basic need.	- - -

THE ACCREDITATION OPTION

Decision Point

A. If you wish to select this option, check here___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here___.

Then write your reasons for rejecting it.

_____

_____

_____

_____

_____

_____

Now turn to the next page for another option.

THE ALASKA MODEL OPTION

Basic need equals the "best" basic education program.

Under this option, a model education program or programs would be described. Several variations of the model programs would be possible. Examples of these follow:

MODEL VARIATIONS

1. The educational program making up the model would be the program of the Anchorage Borough School District.

2. The educational program making up the model would be a "best practices" program composed of components of various districts' programs deemed most successful and most valuable.

3. The educational program making up the model would be whatever each individual district determined it to be; i.e., a local control model.

Selection of the Anchorage or "best practices" model implies a greater measure of direction from outside the district if the model selected would be specified for all districts. The local control model would enable each district great latitute in developing an educational program to meet local needs.

MODELS: Alaska Model - Anchorage

ANCHORAGE

What would be involved if the Anchorage program were used as the model for basic education programs in all districts? Here is an overview of the Anchorage program:

(Put Anchorage curriculum sample here)

Alaska Model - "Best Practices"

The "best practices" model would be challenging to develop, as selecting the most valuable components of local programs would be a difficult task. For example, this model education program might consist of descriptions based upon:

BEST PRACTICES

1. The kindergarten program of District C
2. The elementary program of District A plus
3. The bilingual-bicultural program of District R
4. The junior high program of District X
5. The high school program of District H, except that substitution be made for
   a. The language arts program from District Z

b. The science program from District A, and
c. The consumer survival program from District C, and
d. The health education program from District M

6. The special education program of District B.

Alaska Model - Local Control

LOCAL CONTROL

As previously indicated, the basic education program would be whatever each local district decides it to be. Use of this model would provide the greatest degree of flexibility in meeting specific local needs of students.

Participants' Comments

"Use Anchorage school district's total funding as the model for what is needed for basic educational need. Take that figure and adjust it according to school districts based on equal buying power." (Yukon Flats School Board Member)

"The definition of 'Basic Need' should be changed to mean whatever the local district means when it (the district) uses the two words--not monies--but what the district needs in programs to prepare their people to live a satisfactory adult life." (Alaska Gateway School Board Member)

"The definition of basic need should be decided by each local school district." (Bering Strait REAA School Board Member)

"The local governing boards or people should be the body that has a major impact on establishing the need for the schools . . . . My concern is . . . the ability to offer the best education possible for the student." (Aleutian Chain REAA School Board Member)

"I think there is something underlying 'program,' something underlying 'funding,' and now that has been alluded to: the desires of the people, the concerns of the people . . . . But I think if you go back one step further and define Basic Need as what the community wants the school to do, then I don't think you have any problems. . . . I don't know of any district that has enough money, but I don't think that is the Basic Need. . . . (School Superintendent)

"Basic need has to be determined by local districts." (School Superintendent)

THE ALASKA MODEL OPTION

"Definition should be elastic; should provide latitude to local districts to make decisions about programs. Each district given latitude to define own program. Keep categories out." (Teachers' Association Representative)

"Each district should have the responsibility for defining basic need through community involvement." (Assistant School Superintendent)

"Any basic need that's opposed to local initiative and local input meets my total disapproval." (Borough Assembly Representative)

"Basic Needs can only be determined by those who have experience in local responsibility." (Borough Mayor)

THE ALASKA MODEL OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

	Pro	Con
1.	Distinctions between required courses and elective courses could be made clear.	The Anchorage program cannot be expected to meet the needs of students in other parts of the state.
2.	Using either the Anchorage model or the "Best Practices" model would be the best way to assure students statewide of equivalent educational opportunities.	Fitting the Anchorage model to small rural districts probably would be difficult.
3.	The local control model might address individual student needs best.	Obtaining agreement upon "best practices" probably would be impossible.
4.	_____ _____ _____	Local control model could conflict with state standards.
5.	_____ _____ _____	_____ _____ _____
6.	_____ _____ _____	_____ _____ _____

THE ALASKA MODEL OPTION

Decision Point

A. If you wish to select this option, check here___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here___.

Then write your reasons for rejecting it.

_____

_____

_____

_____

_____

_____

Now turn to the next page for another option.

THE FEDERAL/STATE REQUIREMENTS OPTION

Basic need equals what a district must do.

This option would require a description of the school program which would be offered as a result of the district's compliance with all applicable state and federal laws, rules, regulations, policies, and administrative directives. Or more simply, this option would be based upon the duties of a district, i.e., what it must do.

Under this option, school programs would be interpreted in the broadest sense, and the interpretation would not be confined solely to the curriculum and instructional aspects of a district's operation. A listing illustrative of the requirements under this option follows.

FEDERAL REQUIREMENTS

Three of the significant Federal laws, regulations and related judicial decisions which now have an impact on LEA educational offerings are the following:

1. Title IX - Prohibition of Sex Discrimination, Education Amendments of 1972;
2. Title VI - Nondiscrimination in Federally Assisted Programs, Civil Rights Act of 1964; and,
3. Title II - Equal Education Opportunities Act, Education Amendments of 1974.

Each of these Federal laws, through the rules and regulations developed to implement it, requires LEAs to comply with specified provisions if the LEA currently receives and/or wishes to receive Federal financial aid.

EXAMPLE: SEX DISCRIMINATION PROHIBITED

It is appropriate to review the statutory language and its subsequent regulation for one of these laws to learn about the requirements for compliance. Title IX - Prohibition of Sex Discrimination specifies:

> No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance. . . ." (Sec. 901, Title IX of P.L. 92-318)

Following is a partial list of requirements from the regulations for Title IX which LEAs must implement if they receive federal education aid.

THE FEDERAL/STATE REQUIREMENTS OPTION

1. Appoint at least one employee to coordinate compliance efforts.
2. Issue notices of non-discrimination.
3. Treat students without discrimination on the basis of sex in such areas as courses and extracurricular activities (including student organizations and competitive athletics), facilities, rules and regulations.
4. Do not discriminate in any aspects of employment, including employment criteria, advertising and recruiting, hiring and firing, pay, job assignments, training, promotion, tenure, leave and fringe benefits.

Therefore, under this option, the educational courses and staffing required for compliance with Title IX to insure eligibility for Federal financial aid would constitute one portion of a LEA's "Basic Need."

EXAMPLE: BILINGUAL EDUCATION REQUIRED --BY U.S. SUPREME COURT

Title VI of the Civil Rights Act of 1964 and the ensuing regulations issued by HEW were the bases for the United States Supreme Court's decision in January 1974 of the Lau vs. Nichols case. The court found that the failure of a school system to provide non-English speaking students with an equal educational opportunity through special assistance denies them a meaningful opportunity to participate in the public educational system and has the effect of discriminatory treatment of a minority group--in violation of Title VI, Section 601 and of HEW regulations. In interpreting the Title VI prohibition of discrimination on the basis of race, color, or national origin in any program or activity receiving Federal financial assistance, the court cited the following excerpt from the HEW Title VI regulation:

--BY FEDERAL REGULATION

> Where inability to speak and understand English language excludes national origin-minority group children from effective participation in the educational program offered by a school district, the district must take affirmative steps to rectify the language deficiency in order to open its instructional program to these students. (35 Federal Register 11595)

The right to bilingual education established by the U.S. Supreme Court has also been reiterated in the Equal Educational Opportunities Act of 1974 which states:

--BY FEDERAL LAW

> No State shall deny equal educational opportunity to an individual on account of his or her race, color, sex, or national origin by . . . the failure of an educational agency to take appropriate action to overcome language barriers that impede equal participation by its students in its instructional programs. (Section 204, Title II of P.L. 93-380)

THE FEDERAL/STATE REQUIREMENTS OPTION

--BY STATE LAW

In addition, Alaska State Law specifies that LEA school boards shall provide a bilingual-bicultural education program for each of their schools attended by at least eight students of "limited English-speaking ability and whose primary language is other than English." A.S. Sec. 14.30.400 Therefore, the educational offerings in bilingual education of a LEA to comply with these Federal and State laws and regulations as well as with a U.S. Supreme Court ruling would also be a portion of its basic need.

State Requirements

Numerous other state statutes delineate specific responsibilities and requirements for LEAs. Compliance with these laws and their regulations would, under this option, be considered part of a LEA's basic need. The following examples are but a few of the statutes regulating public elementary and secondary education in Alaska.

COMPULSORY EDUCATION

Section 14.30.010. When attendance compulsory.
(a) Every child between seven and 16 years of age shall attend school at the public school in the district in which the child resides during each school term. . . .

REQUIRED PHYSICAL EXAMINATIONS

Section 14.30.070. Physical examination required.
(a) The governing body of each school district shall provide for and require a physical examination of every child attending school in the district. . . .

AUDIT OF SCHOOL ACCOUNTS

Section 14.14.050. Annual Audit.
(a) The school board in each school district shall, before October 1, of each year, provide for an audit of all school accounts for the school year ending the preceding June 30. To make the audit, the school board shall contract with a public accountant who has no personal interest, direct or indirect, in the fiscal affairs of the district. . . .

CONTRIBUTION TO TEACHERS' RETIREMENT SYSTEM

Section 14.25.070. Contributions by employer.
An employer shall contribute to the retirement fund an amount equal to one-half the percentage . . . of the sum total of base salaries of all teachers that is required in addition to teacher contributions to provide the benefits of this chapter times the sum total of the base salaries paid to teachers by employer.

THE FEDERAL/STATE REQUIREMENTS OPTION

DUTIES OF BOROUGH AND CITY SCHOOL BOARDS

Section 14.14.060. Relationship between borough school district and borough.

(e) The borough school board is responsible for the design criteria of school buildings . . . . Subject to the approval of the assembly, the school board shall select the appropriate professional personnel to develop the designs. The school board shall submit preliminary and subsequent designs for a school building to the assembly for approval or disapproval. . . .

(f) The borough school board shall provide custodial services and routine maintenance for school buildings and shall appoint, compensate, and otherwise control personnel for these purposes. . . .

Section 14.14.065. Relationship between city school district and city.

The relationships between the school board of a city school district and the city council and executive or administrator are governed in the same manner as provided in section 60 of this chapter for the school board of a borough school district. . . .

Section 14.14.090. Additional duties. In addition to other duties, a school board shall

(1) determine and disburse the total amount to be made available for compensation of all school employees and administrative officers;
(2) provide for, during the school term of each year, an educational program for each school age child who is resident of the district; . . .
(5) keep the minutes of meetings and a record of all proceedings of the school board in a pertinent form; . . .

DUTIES OF REGIONAL (REAA) SCHOOL BOARDS

Section 14.08.111. Duties. A Regional school board shall:

(1) provide, during the school term of each year, an educational program for each school age child who is resident of the district;
(2) develop a philosophy of education, principles and goals for its schools;
(3) employ a chief school administrator and approve the employment of the professional administrators, teachers and non certificated personnel necessary to operate its schools; . . .
(6) submit the reports prescribed for all school districts;
(7) provide for an annual audit in accordance with AS 14.14.050; and
(8) provide custodial services and routine maintenance of school buildings and facilities.

THE FEDERAL/STATE REQUIREMENTS OPTION

KEEPING FINANCIAL RECORDS

Section 14.17.190. Restrictions governing receipt on expenditure of money from public school foundation account.

(b) Each district shall maintain financial records of the receipt and disbursement of public school foundation money and money acquired from local effort. . . .

In its publication, Manual for School Boards, DOE recommends in developing a school curriculum that:

> Besides community input, the board should consider any legal regulations issued by the Department of Education.

The preceding examples serve to illustrate only a few of the State and Federal laws, regulations and judicial decisions which could be analyzed to define the required educational offerings or "basic need" of a LEA. Additional areas for analysis include such items as:

1. Federal and state special education requirements;
2. Federal categorical aid programs;
3. State safety and health requirements; and,
4. The Anna Tobeluk (Molly Hootch) court decisions and the ensuing state secondary school program requirements.

INFORMATION SOURCES

Information for identification and analysis of laws, regulations and judicial decisions affecting education is available in such documents as A Compilation of Federal Education Laws; Federal Register; Code of Federal Regulations; School Law Register; Compiled School Laws of Alaska; Department of Education Rules and Regulations; various education program guidelines issued by Federal agencies and DOE; court decisions and publications summarizing these legal rulings.

Participants' Comments

"Include any educational programs required by State law, i.e., bilingual education under the foundation funding program." (Yukon Flats School Board Member)

"Legal constraints or requirements which must overlay basic need consideration:
Accreditation
Testing/Evaluation or Assessment
High school graduation
Title VI, Civil Rights Act
Title IX
Special Education." (Anchorage "Basic Need" small group report)

THE FEDERAL/STATE REQUIREMENTS OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

	Pro	Con
1.	Would enable clarification of required and optional activities.	Inappropriate to include Federal laws and requirements in a 'State' basic need definition.
2.	Could assure equal educational opportunities for all students.	Could be difficult to convert such requirements into program terms.
3.	_ _ _

THE FEDERAL/STATE REQUIREMENTS OPTION

Decision Point

A. If you wish to select this option, check here ___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here ___.

Then write your reasons for rejecting it.

_____

_____

_____

_____

_____

_____

Now turn to the next page for another option.

READER's OPTION

The following space is provided so that a reader may develop his/her own option. The reader may wish to combine options presented in the report, to ignore those options or to use them for ideas in formulating a new option here.

DESCRIPTION OF OPTION

_____

_____

_____

_____

_____

Pro	Con
1. _____	1. _____
2. _____	2. _____
3. _____	3. _____

Now turn to the Options Review Worksheet on p. 65 .

If you did not select any options from this section, you may wish to consider the options in subsequent portions of this report.

Turn to page 20 for Options on a Financial Basis (if you have not already done so).
-or-
For Introduction to the Options for Not Defining Basic Need, turn to p. 57 .

INTRODUCTION TO THE OPTIONS FOR NOT DEFINING BASIC NEED

OPTIONS:

The approach "TO NOT DEFINE BASIC NEED" offers two options: "Keep the current language" or "Clarify the current language" which are described briefly here for the reader.

--NO CHANGE

1. KEEP THE CURRENT LANGUAGE. By choosing this option, the current explanation of basic need in the PSFP would remain as is:

> The basic need of each school district is determined by multiplying the instructional unit allotment of the district as defined in sec. 51 of this chapter by the number of instructional units in the district. (A.S. 14.17.020)

Therefore, the basic need of a LEA would continue to be a sum of money determined by calculations which utilize facts about the LEA (number of students, types of programs and school size) as well as percentages and dollar values established by statute.

--CLARIFY

2. CLARIFY THE CURRENT LANGUAGE. This option would solve the problem which is viewed as only semantic in nature. By calling basic need something else, much of the confusion, misinterpretation and misuse of terms could be eliminated.

At the end of each option presented, the reader may select or reject it.

-If the option is selected, the reader will be directed to a final worksheet to record the choice.

-If the option is rejected, the reader may wish to proceed to the next one presented.

-If all the options for this basis are exhausted, the reader may choose:

READER's CHOICE

to develop his/her own option for not defining basic need, or

to consider the options presented in other portions of this report.

"KEEP THE CURRENT LANGUAGE" OPTION

Basic need equals the sum of money derived from calculations specified in the Public School Foundation Program.

STATUS QUO

This option reflects a prevailing feeling around the state that it is not necessary to find a definition for basic need since the PSFP is working well now. A change in current useage of basic need could affect the operation of the PSFP and could possibly result in decreasing the amount of state financial aid which a LEA receives.

By keeping the current language, the formula for calculating a LEA's state educational support would also remain unchanged. However, as has occurred since 1970, legislation could be enacted to modify or to eliminate aspects of the PSFP in response to changing conditions affecting delivery of education.

Participants' Comments

"I think . . . that we would like to go on record as saying that the basic foundation program should be the same, but there should be an adjustment of the regional cost differentials." (School Board Member)

". . . The majority opinion was that formula funding was the only fair way to go for meeting basic need." (Bethel "Basic Need" small group report)

"The present PSFP has an acceptable element if revenue variations can be equalized in a realistic fashion to include the wide diversity of the new districts." (School Superintendent)

"There was general disagreement on the existing foundation formula--some thought it was adequate, others thought it was not." (Anchorage "Basic Need" small group report)

"And there was a kind of fear . . . that the format of this particular questionnaire might lead one to the conclusion that program funding would be the way to go. But there was a fair amount of discussion on how that could possibly lead to the intrusion of politics and grantsmanship into funding. . . ." (Bethel "Basic Need" small group report)

"KEEP THE CURRENT LANGUAGE" OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

	Pro	Con
1.	Would allow the PSFP to continue to function as it has since 1970.	Would continue the current circular definition.
2.	Could prevent major disruption of the PSFP.	Confusion and mis-interpretation of terms would continue.
3.	Is flexible, allowing individuals to interpret Basic Need terms as they wish.	----------
4.	----------	----------
5.	----------	----------

"KEEP THE CURRENT LANGUAGE" OPTION

Decision Point

A. If you wish to select this option, check here ___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here ___.

Then write your reasons for rejecting it.

_____

_____

_____

_____

_____

_____

Now turn to the next page for another option.

"CLARIFY THE CURRENT LANGUAGE" OPTION

Basic need would be renamed.

This option would maintain the current formula for determining state financial support to education, but would clarify terminology used in and about the PSFP to describe basic need and school costs.

CHANGE THE NAME

Most suggestions for clarification focus on the term "basic need" as it seems to allow for considerable variation in interpretation and subsequent confusion (see "Basic Need Dilemma"). During the school finance workshops, the most prevalent suggestion was to call the term "basic financial need."

The League of Women Voters in its April 1977 School Finance Position paper recommend clarifying basic need by changing the term to "basic cost" or to "basic funding" or to "state educational revenue sharing allotment." The League also suggested including ". . . the initial definition of the 'basic education' which is to be funded." Other terms which have been offered for consideration include "state financial aid" and "state support of education."

Participants' Comments

"Basic need is a term that need not be used." (School Superintendent)

"Rename as 'State and Local Aid.'" (Interested Community Member)

"CLARIFY THE CURRENT LANGUAGE" OPTION

Here are some pros and cons of this option with space for the reader to add to the lists.

	Pro		Con
1.	Current formula for determining state support for education would not be affected.	1.	Might be difficult to determine an accurate new term.
2.	Misuse, misunderstanding and confusion of terms could be alleviated or eliminated.	2.	Changing the words wouldn't "define" basic need.
3.	_____	3.	_____
4.	_____	4.	_____

"CLARIFY CURRENT LANGUAGE" OPTION

Decision Point

A. If you wish to select this option, check here ___.

Now turn to the Options Review Worksheet, p. 65 .

OR

B. If you do not wish to select this option, check here ___.

Then write your reasons for rejecting it.

_____

_____

_____

_____

_____

_____

Now turn to the next page for another option.

READER's OPTION

The following space is provided so that the reader may develop his/her own option. The reader may wish to combine options presented in the report, to ignore those options or to use them for ideas in formulating a new option here.

DESCRIPTION OF OPTION

_____

_____

_____

_____

_____

Pro	Con
1. _____	1. _____
_____	_____
_____	_____
2. _____	2. _____
_____	_____
_____	_____
3. _____	3. _____
_____	_____
_____	_____

Now turn to the Options Review Worksheet on p. 65 .

If you did not select any options from this section, you may wish to reconsider the options in the previous portions of this report.

OPTIONS REVIEW WORKSHEET

This worksheet is provided for readers to indicate their choice of option for developing a strategy to define basic need. The options are:

TO DEFINE BASIC NEED:

-ON PRIMARILY A FINANCIAL BASIS OF
- *Current Operating Expenses ____
- *Maintenance and Operations ____
- *Selected Deductions ____
- *Reader's Option ____

-OR-

-ON PRIMARILY A PROGRAM BASIS OF
- *Minimum Course of Study ____
- *Accreditation ____
- *Alaska Model ____
- *Federal/State Requirements ____
- *Reader's Option ____

-OR-

NOT TO DEFINE BASIC NEED, and

- *Keep Current Language ____
- *Clarify Current Language ____
- *Reader's Option ____

-OR-

NONE OF THE ABOVE ____

REASONS FOR SELECTION

Please use the following space to state the reasons you favor the option you selected. If you developed a Reader's Option, describe it.

_____

_____

_____

_____

Reader's Option

Name _____

Address _____

_____

Circle the appropriate designator:

☐ Board Member

☐ Administrator

☐ Parent

☐ Community School Committee Member

☐ Teacher

☐ Student

☐ Other _____

Tear out and mail pages 65 and 66 to:

Dr. Nathaniel Cole, Deputy Commissioner,
Department of Education
Pouch F
Juneau, Alaska 99811

SOME FINAL CONSIDERATIONS

As was indicated in the introduction of this report, the selection of a strategy for defining basic need is only the initial step of a more complex process to make the definition operational in a school financing plan. The process used to make the definition operational will vary according to the strategy selected. Of course, if you selected either the "Keep the Current Language" or the "Clarify the Current Language" option, little further action is needed.

Making the Strategy Operational

However, if you elected to define basic need on a program basis, the program selected must then be related to revenue sources and needs. If you elected to define basic need on a financial basis, the financial option selected must be related to program needs or requirements.

Consideration must now be given to the parties which will be involved in implementing a strategy, and making the definition of basic need operational. The three parties are:

1. The Legislature
2. The Educational Manager
3. The Community.

Each party has certain roles it can play in the process. There are limits on the role of each according to their degree of control in the governance of education. The parties, and their roles, are as follows:

Party	Roles (add more as necessary)
Legislature	Meet constitutional mandate to establish and maintain a system of public schools Designate sources of revenue Stipulate methods of fund distribution Enact enabling legislation
Education Managers Department of Education Boards of Education District Administration Classroom Teachers	Devise Rules and Regulations Provide leadership for improvement Administration Establish standards Evaluate and audit Recommend funding methods Teach students
Community Students Parents Citizens Taxpayers	Identify goals of education Make needs known Receive education Realize benefits of education

Making the Strategy Operational

The relationships of the parties are controlled by their roles. The schematic below illustrates these relationships as they might affect the implementation of a strategy for defining basic need.

1. Legislator-Educator-Community

Legislature determines financial resources available and establishes method of distribution. Seeks to maximize available funds. >> Education managers, state and local, administer financial support program. >> Community education program constrained only by amount of available funds. <

2. Community-Educator-Legislator

Community defines programs, based on locally specified desires >> < Education managers, state and local, review programs, establish amount of needed funds. >> Legislature identifies fund sources and establishes funding method for operating programs as defined locally.

3. Educator-Legislator-Community

Education managers, state and/or local, identify a standard program or programs of instuction and establish costs. >> < Legislature determines funding method or sources for standard program of instruction. >> Community offers standard program of instruction

The complexity of the process necessary after selection of a strategy is apparent. Opinions on how to proceed are varied, as illustrated by the following comments offered by participants at the workshops on school finance conducted during the Fall of 1976. Selected comments follow.

Participants' Comments

"If you start off with basic need being the desires of the community, then you can talk about programs and then you can talk about funding." (School Superintendent)

"State could set minimum standards for basic needs." (School Superintendent)

"The district sets priorities." (School Superintendent)

"Keep local control and local option to supplement." (School Business Official)

"There needs to be local options for determining basic needs." (Anchorage "Basic Need" small group report)

"And by all means, keep the power at the local level." (Bering Strait REAA Board Member)

"The State Department of Education could develop a committee of elected representatives of the above groups [parents, students, specialists, administrators and school board members] to establish a policy or legislative suggestions." (Interested Community Member)

"Perhaps specific quantitative standards established by the state with allocation of financial support connected thereto. The community can work within this framework to establish qualitative standards and adapt them to local priorities." (Anchorage "Basic Need" small group report)